

AMENDED IN ASSEMBLY AUGUST 21, 2014

AMENDED IN ASSEMBLY AUGUST 11, 2014

AMENDED IN ASSEMBLY JUNE 25, 2014

AMENDED IN ASSEMBLY MAY 20, 2014

AMENDED IN SENATE JANUARY 6, 2014

AMENDED IN SENATE APRIL 15, 2013

AMENDED IN SENATE APRIL 9, 2013

## SENATE BILL

**No. 577**

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### **Introduced by Senator Pavley**

**(~~Coauthor: Senator~~ Coauthors: Senators Beall and DeSaulnier)**

(Coauthors: Assembly Members Buchanan, Chesbro, Garcia, Grove,  
and Waldron)

February 22, 2013

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An act to amend Sections 4850, 4851, 4854, and 4860 of, and to add and repeal Section 4850.3 of, of the Welfare and Institutions Code, relating to developmental disabilities.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 577, as amended, Pavley. Autism and other developmental disabilities: employment.

The Lanterman Developmental Disabilities Services Act authorizes the State Department of Developmental Services to contract with regional centers to provide services and support to individuals with developmental disabilities, including autism. Existing law governs the habilitation services provided for adult consumers of regional centers, including work activity programs, as described, and establishes an

hourly rate for supported employment services provided to consumers receiving individualized services.

This bill would require the department, contingent upon receiving federal financial participation, to conduct a 4-year demonstration project to determine whether community-based vocational development services will increase employment outcomes for consumers and reduce purchase of service costs for working age adults, as specified. *The bill would require the development and semiannual review of a plan, as specified, if community-based vocational development services, as defined, are determined to be a necessary step to achieve a supported employment outcome. The bill would establish an hourly rate for community-based vocational development services, for purposes of the demonstration project, of \$40 per hour for a maximum of 75 hours per calendar quarter for all services identified and provided in the plan. The bill would provide that a consumer's hours of participation in community-based vocational development services may be provided in lieu of hours of participation in other community-based day program services, for up to 2 years, except as specified.* The bill would require the department to publish a notice on the department's Internet Web site when the demonstration project has been implemented, and to make determinations and notify the Legislature concerning the project's effectiveness, as specified, at the project's conclusion. The bill would repeal these provisions as of January 1, 2025.

~~This bill would require the development and semiannual review of a plan, as specified, if community-based vocational development services, as defined, are determined to be a necessary step to achieve a supported employment outcome. The bill would establish an hourly rate for community-based vocational development services, for purposes of the demonstration project, of \$40 per hour for a maximum of 75 hours per calendar quarter for all services identified and provided in the plan. The bill would provide that a consumer's hours of participation in community-based vocational development services may be provided in lieu of hours of participation in other community-based day program services, for up to 2 years, except as specified.~~

The bill would also set forth related legislative findings and declarations *and a statement of legislative intent.*

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. The Legislature finds and declares all of the following:

(a) Individuals with developmental disabilities have to struggle to find gainful employment. Unemployment amongst the developmentally disabled population is approximately 80 percent.

(b) Within the developmentally disabled community, autism is the fastest growing population, making up approximately 50 percent of the annual new caseload of regional centers in some parts of the state.

(c) One in three adults with autism do not have paid work experience or a college or technical education seven years after leaving the K–12 school system.

(d) In order to increase the self-sufficiency of young adults with autism and other developmental disabilities, including increased earning capacity and reduced government benefit support, it is important that the state implement a program to provide individualized skills assessment, social cue training, and specific support to ensure their academic and employment success.

(e) The Governor and the Legislature must address the growing need for new models of assessment, career training, and expanding employment opportunities and support options for young adults with autism and other developmental disabilities between 18 and 30 years of age. If this population is left without purposefully designed pathways into employment, these young adults will remain at high risk of public dependency throughout the course of their lives.

(f) The passage of the State of California’s Employment First Policy requires the state to increase the opportunities for individuals with developmental disabilities to achieve integrated competitive employment.

~~SEC. 2. Section 4850 of the Welfare and Institutions Code is amended to read:~~

~~4850. (a) The Legislature reaffirms its intent that habilitation services for adults with developmental disabilities should be planned and provided as a part of a continuum and that habilitation services should be available to enable persons with developmental disabilities to approximate the pattern of everyday living available to nondisabled people of the same age.~~

~~(b) The Legislature further intends that habilitation services shall be provided to adults with developmental disabilities as specified in this chapter in order to guarantee the rights stated in Section 4502.~~

~~(e) The Legislature further intends that in order to increase effectiveness and opportunity to gain meaningful integrated employment opportunities, habilitation services shall also provide community-based vocational development services to enhance community employment readiness, develop social skills necessary for successful community employment, and build a network of community and employment opportunities for individuals with developmental disabilities.~~

~~SEC. 3.~~

~~SEC. 2.~~ Section 4850.3 is added to the Welfare and Institutions Code, to read:

~~4850.3. (a) The department Legislature intends that in order to increase effectiveness and opportunity to gain meaningful integrated competitive employment opportunities, pursuant to paragraph (1) of subdivision (a) of Section 4869, habilitation services shall also provide community-based vocational development services to enhance community employment readiness, develop social skills necessary for successful community employment, and build a network of community and employment opportunities for individuals with developmental disabilities.~~

~~(b) The department shall conduct a four-year demonstration project, pursuant to paragraph (1) of subdivision (a) of Section 4869, to determine whether community-based vocational development services increase integrated competitive employment outcomes and reduce purchase of service costs for working age adults.~~

~~(1) For purposes of this section, "community-based vocational development services" means (A) services provided to enhance community employment readiness, which may include the use of discovery and job exploration opportunities, (B) social skill development services necessary to obtain and maintain community employment, (C) services to use internship, apprenticeship, and volunteer opportunities to provide community-based vocational development skills development opportunities, (D) services to access and participate in postsecondary education or career~~

1 *technical education, and (E) building a network of community and*  
2 *employment opportunities.*

3 *(2) If community-based vocational development services are*  
4 *determined to be a necessary step to achieve a supported*  
5 *employment outcome, a plan shall be developed and may include,*  
6 *but is not limited to, all of the following:*

7 *(A) An inventory of potential employment interests.*

8 *(B) Preferences for types of work environments or situations.*

9 *(C) Identification of any training or education needed for the*  
10 *consumer's desired job.*

11 *(D) Opportunities to explore jobs or self-employment as a means*  
12 *to meet the consumer's desired employment outcome.*

13 *(E) Identification of any personal or family networks the*  
14 *consumer may use to achieve his or her desired employment*  
15 *outcomes.*

16 *(3) The habilitation service provider and the regional center*  
17 *shall review the plan developed pursuant to paragraph (2)*  
18 *semiannually to document progress towards objectives, additional*  
19 *barriers, and other changes that impact the consumer's desired*  
20 *employment outcome.*

21 *(4) The hourly rate for community-based vocational development*  
22 *services, for the purposes of this section, shall be forty dollars*  
23 *(\$40) per hour for a maximum of 75 hours per calendar quarter*  
24 *for all services identified and provided in the community-based*  
25 *vocational development plan as developed pursuant to paragraphs*  
26 *(2) and (3). Prior to the implementation of community-based*  
27 *vocational development services, the department shall secure*  
28 *federal Medicaid funding for this service.*

29 *(5) Hours of participation in community-based vocational*  
30 *development services may be provided in lieu of hours of*  
31 *participation in other community-based day program services, as*  
32 *determined by the consumer's individual program planning team,*  
33 *for up to two years. Community-based vocational development*  
34 *services may be authorized for an additional two years, if the*  
35 *consumer's individual program planning team determines and*  
36 *documents at each semiannual review that the consumer is making*  
37 *significant progress toward the habilitation services objectives. A*  
38 *consumer's participation in community-based vocational*  
39 *development services shall not exceed a total of four years.*

40 ~~(b)~~

1 (c) The department shall select up to five volunteer regional  
2 centers that reflect the geographic diversity of California to  
3 participate in the demonstration project.

4 ~~(e)~~

5 (d) The department shall publish a notice on the ~~departments~~  
6 ~~department's~~ Internet Web site when the demonstration project  
7 has been implemented.

8 ~~(d)~~

9 (e) (1) After conclusion of the demonstration project, the  
10 department shall review the effectiveness of the demonstration  
11 project and make determinations whether community-based  
12 vocational development services (A) increase employment  
13 outcomes, (B) reduce purchase of service costs, and (C) may be  
14 implemented on a statewide basis.

15 (2) The department shall notify the appropriate fiscal and policy  
16 committees of both houses of the Legislature of the determinations  
17 made pursuant to this subdivision.

18 ~~(e)~~

19 (f) This section shall be implemented only to the extent that  
20 federal financial participation is available and any necessary federal  
21 approvals have been obtained.

22 ~~(f)~~

23 (g) This section shall remain in effect only until January 1, 2025,  
24 and as of that date is repealed, unless a later enacted statute, that  
25 is enacted before January 1, 2025, deletes or extends that date.

26 ~~SEC. 4. Section 4851 of the Welfare and Institutions Code is~~  
27 ~~amended to read:~~

28 ~~4851. The definitions contained in this chapter shall govern~~  
29 ~~the construction of this chapter, with respect to habilitation services~~  
30 ~~provided through the regional center, and unless the context~~  
31 ~~requires otherwise, the following terms shall have the following~~  
32 ~~meanings:~~

33 ~~(a) "Habilitation services" means community-based services~~  
34 ~~purchased or provided for adults with developmental disabilities,~~  
35 ~~including services provided under the work activity program and~~  
36 ~~the supported employment program, to prepare and maintain them~~  
37 ~~at their highest level of vocational functioning, or to prepare them~~  
38 ~~for referral to vocational rehabilitation services.~~

39 ~~(b) "Individual program plan" means the overall plan developed~~  
40 ~~by a regional center pursuant to Section 4646.~~

1     ~~(e) “Individual habilitation service plan” means the service plan~~  
2     ~~developed by the habilitation service vendor to meet employment~~  
3     ~~goals in the individual program plan.~~

4     ~~(d) “Department” means the State Department of Developmental~~  
5     ~~Services.~~

6     ~~(e) “Work activity program” includes, but is not limited to,~~  
7     ~~sheltered workshops or work activity centers, or community-based~~  
8     ~~work activity programs certified pursuant to subdivision (f) or~~  
9     ~~accredited by CARF, the Rehabilitation Accreditation Commission.~~

10    ~~(f) “Certification” means certification procedures developed by~~  
11    ~~the Department of Rehabilitation.~~

12    ~~(g) “Work activity program day” means the period of time~~  
13    ~~during which a work activity program provides services to~~  
14    ~~consumers.~~

15    ~~(h) “Full day of service” means, for purposes of billing, a day~~  
16    ~~in which the consumer attends a minimum of the declared and~~  
17    ~~approved work activity program day, less 30 minutes, excluding~~  
18    ~~the lunch period.~~

19    ~~(i) “Half day of service” means, for purposes of billing, any day~~  
20    ~~in which the consumer’s attendance does not meet the criteria for~~  
21    ~~billing for a full day of service as defined in subdivision (g), and~~  
22    ~~the consumer attends the work activity program not less than two~~  
23    ~~hours, excluding the lunch period.~~

24    ~~(j) “Supported employment program” means a program that~~  
25    ~~meets the requirements of subdivisions (n) to (s), inclusive.~~

26    ~~(k) “Consumer” means any adult who receives services~~  
27    ~~purchased under this chapter.~~

28    ~~(l) “Accreditation” means a determination of compliance with~~  
29    ~~the set of standards appropriate to the delivery of services by a~~  
30    ~~work activity program or supported employment program,~~  
31    ~~developed by CARF, the Rehabilitation Accreditation Commission,~~  
32    ~~and applied by the commission or the department.~~

33    ~~(m) “CARF” means CARF the Rehabilitation Accreditation~~  
34    ~~Commission.~~

35    ~~(n) “Supported employment” means paid work that is integrated~~  
36    ~~in the community for individuals with developmental disabilities.~~

37    ~~(o) “Integrated work” means the engagement of an employee~~  
38    ~~with a disability in work in a setting typically found in the~~  
39    ~~community in which individuals interact with individuals without~~  
40    ~~disabilities other than those who are providing services to those~~

1 individuals, to the same extent that individuals without disabilities  
2 in comparable positions interact with other persons:

3 (p) “Supported employment placement” means the employment  
4 of an individual with a developmental disability by an employer  
5 in the community, directly or through contract with a supported  
6 employment program. This includes provision of ongoing support  
7 services necessary for the individual to retain employment.

8 (q) “Allowable supported employment services” means the  
9 services approved in the individual program plan and specified in  
10 the individual habilitation service plan for the purpose of achieving  
11 supported employment as an outcome, and may include any of the  
12 following:

13 (1) Job development, to the extent authorized by the regional  
14 center.

15 (2) Program staff time for conducting job analysis of supported  
16 employment opportunities for a specific consumer.

17 (3) Program staff time for the direct supervision or training of  
18 a consumer or consumers while they engage in integrated work  
19 unless other arrangements for consumer supervision, including,  
20 but not limited to, employer supervision reimbursed by the  
21 supported employment program, are approved by the regional  
22 center.

23 (4) Community-based training in adaptive functional and social  
24 skills necessary to ensure job adjustment and retention.

25 (5) Counseling with a consumer’s significant other to ensure  
26 support of a consumer in job adjustment.

27 (6) Advocacy or intervention on behalf of a consumer to resolve  
28 problems affecting the consumer’s work adjustment or retention.

29 (7) Ongoing support services needed to ensure the consumer’s  
30 retention of the job.

31 (r) “Group services” means job coaching in a group supported  
32 employment placement at a job coach-to-consumer ratio of not  
33 less than one-to-three nor more than one-to-eight where services  
34 to a minimum of three consumers are funded by the regional center  
35 or the Department of Rehabilitation. For consumers receiving  
36 group services, ongoing support services shall be limited to job  
37 coaching and shall be provided at the worksite.

38 (s) “Individualized services” means job coaching and other  
39 supported employment services for regional center-funded  
40 consumers in a supported employment placement at a job

1 coach-to-consumer ratio of one-to-one, and that decrease over time  
2 until stabilization is achieved. Individualized services may be  
3 provided on or off the jobsite.

4 (t) “Community-based vocational development services” means  
5 (1) services provided to enhance community employment readiness,  
6 which may include the use of discovery and job exploration  
7 opportunities, (2) social skill development services necessary to  
8 obtain and maintain community employment, (3) services to use  
9 internship, apprenticeship, and volunteer opportunities to provide  
10 community-based vocational development skills development  
11 opportunities, (4) services to access and participate in  
12 postsecondary education or career technical education, and (5)  
13 building a network of community and employment opportunities.

14 SEC. 5. Section 4854 of the Welfare and Institutions Code is  
15 amended to read:

16 4854. (a) In developing the individual habilitation service plan  
17 pursuant to Section 4853, the habilitation service provider shall  
18 develop specific and measurable objectives to determine whether  
19 the consumer demonstrates ability to reach or maintain individual  
20 employment goals in all of the following areas:

- 21 (1) Participation in paid work for a specified period of time.  
22 (2) Obtaining or sustaining a specified productivity rate.  
23 (3) Obtaining or sustaining a specified attendance level.  
24 (4) Demonstration of appropriate behavior for a work setting.

25 (b) If community-based vocational development services are  
26 determined to be a necessary step to achieve a supported  
27 employment outcome, a plan shall be developed and may include,  
28 but is not limited to, all of the following:

- 29 (1) An inventory of potential employment interests.  
30 (2) Preferences for types of work environments or situations.  
31 (3) Identification of any training or education needed for the  
32 consumer’s desired job.

33 (4) Opportunities to explore jobs or self-employment as a means  
34 to meet the consumer’s desired employment outcome.

35 (5) Identification of any personal or family networks the  
36 consumer may use to achieve his or her desired employment  
37 outcomes.

38 (c) The habilitation service provider and the regional center  
39 shall review the plan developed pursuant to subdivision (b)  
40 semiannually to document progress towards objectives, additional

1 barriers, and other changes that impact the consumer's desired  
2 employment outcome.

3 ~~(d) Hours of participation in community-based vocational~~  
4 ~~development services may be provided in lieu of hours of~~  
5 ~~participation in other community-based day program services, as~~  
6 ~~determined by the consumer's individual program planning team,~~  
7 ~~for up to two years. Community-based vocational development~~  
8 ~~services may be authorized for an additional two years, if the~~  
9 ~~consumer's individual program planning team determines and~~  
10 ~~documents at each semiannual review that the consumer is making~~  
11 ~~significant progress toward the habilitation services objectives. A~~  
12 ~~consumer's participation in community-based vocational~~  
13 ~~development services shall not exceed a total of four years.~~

14 ~~SEC. 6. Section 4860 of the Welfare and Institutions Code is~~  
15 ~~amended to read:~~

16 ~~4860. (a) (1) The hourly rate for supported employment~~  
17 ~~services provided to consumers receiving individualized services~~  
18 ~~shall be thirty dollars and eighty-two cents (\$30.82).~~

19 ~~(2) Job coach hours spent in travel to consumer worksites may~~  
20 ~~be reimbursable for individualized services only when the job~~  
21 ~~coach travels from the vendor's headquarters to the consumer's~~  
22 ~~worksite or from one consumer's worksite to another, and only~~  
23 ~~when the travel is one way.~~

24 ~~(b) The hourly rate for group services shall be thirty dollars and~~  
25 ~~eighty-two cents (\$30.82), regardless of the number of consumers~~  
26 ~~served in the group. Consumers in a group shall be scheduled to~~  
27 ~~start and end work at the same time, unless an exception that takes~~  
28 ~~into consideration the consumer's compensated work schedule is~~  
29 ~~approved in advance by the regional center. The department, in~~  
30 ~~consultation with stakeholders, shall adopt regulations to define~~  
31 ~~the appropriate grounds for granting these exceptions. When the~~  
32 ~~number of consumers in a supported employment placement group~~  
33 ~~drops to fewer than the minimum required in subdivision (r) of~~  
34 ~~Section 4851, the regional center may terminate funding for the~~  
35 ~~group services in that group, unless, within 90 days, the program~~  
36 ~~provider adds one or more regional centers, or Department of~~  
37 ~~Rehabilitation-funded supported employment consumers to the~~  
38 ~~group.~~

39 ~~(c) Job coaching hours for group services shall be allocated on~~  
40 ~~a prorated basis between a regional center and the Department of~~

1 ~~Rehabilitation when regional center and Department of~~  
2 ~~Rehabilitation consumers are served in the same group.~~

3 ~~(d) When Section 4855 applies, fees shall be authorized for the~~  
4 ~~following:~~

5 ~~(1) A three-hundred-sixty-dollar (\$360) fee shall be paid to the~~  
6 ~~program provider upon intake of a consumer into a supported~~  
7 ~~employment program. No fee shall be paid if that consumer~~  
8 ~~completed a supported employment intake process with that same~~  
9 ~~supported employment program within the previous 12 months.~~

10 ~~(2) A seven-hundred-twenty-dollar (\$720) fee shall be paid~~  
11 ~~upon placement of a consumer in an integrated job, except that no~~  
12 ~~fee shall be paid if that consumer is placed with another consumer~~  
13 ~~or consumers assigned to the same job coach during the same hours~~  
14 ~~of employment.~~

15 ~~(3) A seven-hundred-twenty-dollar (\$720) fee shall be paid after~~  
16 ~~a 90-day retention of a consumer in a job, except that no fee shall~~  
17 ~~be paid if that consumer has been placed with another consumer~~  
18 ~~or consumers, assigned to the same job coach during the same~~  
19 ~~hours of employment.~~

20 ~~(e) The hourly rate for community-based vocational~~  
21 ~~development services, for purposes of Section 4850.3, shall be~~  
22 ~~forty dollars (\$40) per hour for a maximum of 75 hours per~~  
23 ~~calendar quarter for all services identified and provided in the~~  
24 ~~community-based vocational development plan as developed~~  
25 ~~pursuant to subdivisions (b) and (c) of Section 4854. Prior to the~~  
26 ~~implementation of community-based vocational development~~  
27 ~~services, the department shall secure federal Medicaid funding for~~  
28 ~~this service.~~

29 ~~(f) Notwithstanding paragraph (4) of subdivision (a) of Section~~  
30 ~~4648, the regional center shall pay the supported employment~~  
31 ~~program rates established by this section.~~